

SENATE BILL No. 112

DIGEST OF INTRODUCED BILL

Citations Affected: IC 25-34.1-3.

Synopsis: Real estate. Specifies that the certain exceptions to the real estate licensing requirement that are granted to persons who sell or rent their own property do not apply if the person's only ownership interest is an equitable interest created by an executory contract for the sale of residential real estate before closing.

Effective: July 1, 2015.

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January 6, 2015, read first time and referred to Committee on Commerce & Technology.



First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 112

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 25-34.1-3-2, AS AMENDED BY P.L.127-2012,
2 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2015]: Sec. 2. **(a) For purposes of this section, real estate**
4 **is not owned by a person if the person's only interest in the**
5 **property is an equitable interest created by an executory contract**
6 **for the purchase or sale of residential property and the purchase**
7 **or sale has not yet closed.**
8 **(a) (b) Except as provided in:**
9 **(1) subsection (b); (c);**
10 **(2) section 8(i) of this chapter; and**
11 **(3) section 11 of this chapter;**
12 no person shall, for consideration, sell, buy, trade, exchange, option,
13 lease, rent, manage, list, or appraise real estate or negotiate or offer to
14 perform any of those acts in Indiana or with respect to real estate
15 situated in Indiana, without a license.
16 **(b) (c) This article does not apply to:**



- (1) acts of an attorney which constitute the practice of law;
- (2) performance by a public official of acts authorized by law;
- (3) acts of a receiver, executor, administrator, commissioner, trustee, or guardian, respecting real estate owned or leased by the person represented, performed pursuant to court order or a will;
- (4) rental, for periods of less than thirty (30) days, of rooms, lodging, or other accommodations, by any commercial hotel, motel, tourist facility, or similar establishment which regularly furnishes such accommodations for consideration;
- (5) rental of residential apartment units by an individual employed or supervised by a licensed broker;
- (6) rental of apartment units which are owned and managed by a person whose only activities regulated by this article are in relation to a maximum of twelve (12) apartment units which are located on a single parcel of real estate or on contiguous parcels of real estate;
- (7) referral of real estate business by a broker or referral company which is licensed under the laws of another state, to or from brokers licensed by this state;
- (8) acts performed by a person in relation to real estate owned by that person unless that person is licensed under this article, in which case the article does apply to ~~him~~; **that person**;
- (9) acts performed by a regular, full-time, salaried employee of a person in relation to real estate owned or leased by that person unless the employee is licensed under this article, in which case the article does apply to ~~him~~; **that person**;
- (10) conduct of a sale at public auction by a licensed auctioneer pursuant to IC 25-6.1;
- (11) sale, lease, or other transfer of interests in cemetery lots; and
- (12) acts of a broker, who is licensed under the laws of another state, which are performed pursuant to, and under restrictions provided by, written permission that is granted by the commission in its sole discretion, except that such a person shall comply with the requirements of section 5(c) of this chapter.

SECTION 2. IC 25-34.1-3-8, AS AMENDED BY P.L.146-2008, SECTION 530, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) This section does not preclude a person who:

- (1) is not licensed or certified as a real estate appraiser under this section; and
 - (2) is licensed as a broker under this article;
- from appraising real estate in Indiana for compensation.



(b) As used in this section, "federal act" refers to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (12 U.S.C. 3331 through 3351).

(c) The commission shall adopt rules to establish a real estate appraiser licensure and certification program to be administered by the board.

(d) The commission may not adopt rules under this section except upon the action and written recommendations of the board under IC 25-34.1-8-6.5.

(e) The real estate appraiser licensure and certification program established by the commission under this section must meet the requirements of:

- (1) the federal act;
- (2) any federal regulations adopted under the federal act; and
- (3) any other requirements established by the commission as recommended by the board, including requirements for education, experience, examination, reciprocity, and temporary practice.

(f) The real estate appraiser licensure and certification requirements established by the commission under this section must require a person to meet the standards for real estate appraiser certification and licensure established:

- (1) under the federal act;
- (2) by federal regulations; and
- (3) under any other requirements established by the commission as recommended by the board, including requirements for education, experience, examination, reciprocity, and temporary practice.

(g) The commission may require continuing education as a condition of renewal for real estate appraiser licensure and certification.

(h) The following are not required to be a licensed or certified real estate appraiser to perform the requirements of IC 6-1.1-4:

- (1) A county assessor.
- (2) A township assessor.
- (3) An employee of a county or township assessor.

(i) Notwithstanding ~~IC 25-34.1-3-2(a)~~: **section 2 of this chapter:**

- (1) only a person who receives a license or certificate issued under the real estate appraiser licensure and certification program established under this section may appraise real estate involved in transactions governed by:

- (A) the federal act; and
- (B) any regulations adopted under the federal act;



1 as determined under rules adopted by the commission, as
2 recommended by the board; and
3 (2) a person who receives a license or certificate issued under the
4 real estate appraiser licensure and certification program
5 established under this section may appraise real estate not
6 involved in transactions governed by:
7 (A) the federal act; and
8 (B) any regulations adopted under the federal act;
9 as determined under rules adopted by the commission, as
10 recommended by the board.

